

**CALENDAR ITEM
C95**

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S 2

06/23/11
PRC 6882.2
J. Porter

**CONSIDER ACCEPTANCE OF A QUITCLAIM OF INTEREST IN RECIPROCAL
ROAD USE EASEMENTS AND TERMINATION OF AN AGREEMENT GRANTING
RECIPROCAL ROAD USE EASEMENTS**

PARTY:

Central California Power Agency (CCPA) No. 1, as Successor in Interest to GEO Operator Corporation (GEOOC)

AREA, LAND TYPE, AND LOCATION:

An access road approximately 66 feet in width and totaling approximately 2.14 miles in length crossing Indemnity school lands located in Section 19, Township 12 North, Range 8 West; Section 24, Township 12 North, Range 9 West, MDM, Lake County; Section 26 Township 12 North, Range 9 West, MDM, Mendocino County; and Sections 2, 3, 4, 9 and 10, Township 11 North, Range 9 West, MDM, Sonoma County, east of Cloverdale.

AUTHORIZED USE:

An easement for road access, and the right, but not the obligation, to construct, reconstruct, and maintain the road within the easement.

AGREEMENT TERM:

49 years, beginning September 1, 1985.

CONSIDERATION:

None- reciprocal easement rights.

SPECIFIC LEASE PROVISIONS:

Insurance: Combined single limit per occurrence liability insurance in the amount of \$500,000 for bodily injury and property damage and umbrella liability insurance covering up to \$1,000,000 over and above the maximum limits of the primary policy.

OTHER PERTINENT INFORMATION:

1. At its meeting of August 29, 1985, pursuant to Item 10, the Commission authorized the execution of an Agreement Granting Reciprocal Road Use

CALENDAR ITEM NO. **C95** (CONT'D)

Easements to Geothermal Resources International, Inc. and its wholly-owned subsidiary companies, including GEO Operator Corporation, collectively known as "GEOOC".

2. CCPA No. 1, also known as the Central California Power Agency, was the successor in interest to GEOOC. CCPA No. 1 was a California joint powers authority composed of the Sacramento Municipal Utility District, the Modesto Irrigation District, and the City of Santa Clara.
3. During the 1980s and 1990s, CCPA No. 1 was the owner and operator of a geothermal power plant in the Geysers geothermal field known as Coldwater Creek Geothermal Power Plant (power plant) and was the lessee under various geothermal leases authorized by the Commission (PRC 5217.2, PRC 5820.2, PRC 5821.2, and PRC 7751.2). By 1996, the operation of the geothermal plant was no longer financially feasible. CCPA No. 1 closed the power plant and executed full quitclaim deeds for all of these geothermal leases. The Commission accepted the quitclaim deeds and terminated all of the geothermal leases at its meeting of November 26, 2001. The access road that is the subject of this Agreement provided CCPA No. 1 access across school lands to its property. In return, the State received the use of the road across CCPA No. 1's property to the school lands.
4. Pursuant to its licensing obligations, CCPA No. 1 prepared a closure plan for the power plant and submitted it to the California Energy Commission (CEC). In 1998, the CEC formally approved the closure plan. The plant was subsequently closed and CCPA No. 1 ceased to exist as a joint powers authority.
5. During a routine file review, staff discovered that CCPA No. 1 also had executed a Quitclaim of Interest in Reciprocal Road Use Easements (PRC 6882.2) in 2001, and that the quitclaim had never been accepted by the Commission. Staff is requesting approval of this item to accept the quitclaim and rectify this omission.
6. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060 (c)(3)], staff has determined this activity is not subject to the provisions of CEQA because it is not a "project" as defined CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations sections 15060 (c)(3) and 15378.

CALENDAR ITEM NO. **C95** (CONT'D)

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is not subject to the requirements of CEQA pursuant to Title 14, California Code of Regulations, section 15060 (c)(3) because the activity is not a project as defined by Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

AUTHORIZATION:

Authorize acceptance of a Quitclaim of Interest in Reciprocal Road Use Easements and Termination of An Agreement Granting Reciprocal Road Use Easements, dated October 29, 2001, for PRC No. 6882.2 authorized on September 1, 1985, effective June 23, 2011.